

**Approved**

# **Terminal Facilities and EIR Referral Issues Study Committee Airport Advisory Commission**

**Minutes for Meeting #6**

**March 18, 2004**

**MEMBERS**

**PRESENT**

Ron Salk  
Alan Fox  
Bruce Alton  
Bernhard Clever  
Douglas Haubert  
Bob Luskin  
Carol Soccio  
Deborah Veady  
Don Temple

**MEMBERS**

**ABSENT**

**STAFF**

**PRESENT**

Chris Kunze  
Dottie Jones  
Sharon Diggs-Jackson  
Sileneka Smith  
Malcolm Oscarson  
Ken Ashmore  
Steve O'Keefe

**OTHERS**

**PRESENT**

See Attached sign-in  
(Available on request)

**Call to Order**

Chair Ron Salk called the Study Committee to order at 6:12 p.m., at the Long Beach Energy Department.

**Roll Call**

Chris Kunze called roll and certified that a quorum was present.

**Minutes**

The minutes for the meetings of February 19, 2004 and February 26, 2004 were approved.

**Approval of Agenda**

The agenda was approved as submitted.

**Chairman Salk Opening Statement**

Chairman Salk thanked the public for attending. Chairman Salk stated that "this is meeting number six in a projected series of 10 or 11 meetings, that will last about ½ year. The function of the Committee and the Commission as a whole is to study Airport terminal area requirements, improvements if any, and EIR issues attendant to those improvements. A major purpose of the Committee is to gather information. Unlike Community Awareness meetings, where the Airport gave information to the community, the Committee is gathering information from consultants, from Airport staff, and from the general public. The public is very much a part of the process. The first meetings dealt with projected needs of the Airport; more will be presented on that subject at the April 15<sup>th</sup> and May 20<sup>th</sup> meetings. Enough information on the project needs was presented so that the community could question and comment. The presenters tonight will be addressing the Committee, and the Committee asks that the presentations be completed before questions. Questions that call for clarification of the speakers' presentation will follow immediately. Questions should be brief and limited to getting information that was unclear or incomplete. After all presentations, there will be an opportunity to comment with a 3-minute time limit, and speakers should sign up to speak. Tonight's presenters have indicated, in advance, that they wish to make formal presentations, which is the evening's function.

Chairman Salk introduced the first presenter, Mr. Kevin McAchren from the Long Beach Airport Association.

Mr. McAchren gave the following presentation:

*The Long Beach Airport Association is in total support of the development of new, permanent passenger boarding facilities at our Airport, in order to adequately and efficiently service the passenger traffic generated by the commercial flights authorized by City ordinance (41 air carrier and 25 commuter, daily). We also maintain that the "scoping" of the EIR process for this project should be narrow, limited to the environmental effects of the construction of buildings, parking structures, etc., and not to include such issues as aircraft noise and pollution, which have been assessed in previous studies. The present permanent boarding area/ holdroom was built over 20 years ago, and was designed to accommodate only 15 flights. The hodgepodge of temporary facilities presently in use is inadequate and often inconvenient to the needs of the traveling public (some three million people will use Long Beach airport this year), as well as inconsistent with the image of Long Beach as California's fifth largest City, as a leader in trade, tourism, and technology.*

*We do have some specific comments on the preliminary plans for this project, dated January 9, 2004:*

*We support the concept of two permanent holdrooms, north and south, to enhance the even flow of passenger traffic, and perhaps more importantly, to address security concerns. Having only one security checkpoint and one holdroom would effectively shut down all airline traffic, in the event of a security breach; with two separate facilities, such a complete shutdown would be prevented.*

*Although we are not experts on peak hour passenger flow or square footage requirements (that's what the consultants are for), it should be noted that the majority of flights serving Long Beach are medium haul (Dallas, Seattle) or long haul (Boston, New York, Washington D.C.). Passengers tend to show up earlier, the longer the flight, so this fact should be taken into account when addressing square footage.*

*The present holdroom concession facilities are woefully inadequate, and the recommended square footage area for concessions in the proposed facilities (3,000-5,000 sq. ft) still seems too small, and perhaps should be doubled. In today's environment airline passengers expect more choices in dining options and gift and sundries availability; this is especially true since in-flight meals are minimal or non-existent. Passengers look for both the familiar "chain" names, as well as unique concession services. We can envision a "Queen Mary Lounge" or "Grand Prix Coffee Bar" or even an "Aquarium"-themed gift shop. Frankly, concessions can be a big cash flow generator for the airport, only exceeded by parking lot/parking structure revenues. Concession operators are responsible for all of their interior amenities, so it costs the Airport nothing. In addition, there should be some consideration of limited concession facilities (not just vending machines) in the pre-security screening terminal area for those "meeting and greeting" or seeing off passengers (since they can no longer enter the holdrooms).*

*Experience has shown that the north baggage claim belt is not of adequate size during peak periods to accommodate arriving passenger luggage. Fully half of the flights on the north side are operated with the largest aircraft servicing the Airport (180+ passenger 757s). The existing 96 linear feet of baggage belt should be increased, by adding "loops" to the design,*

*as was done several years ago on the south side.*

*Bringing all the public parking back into the terminal area by constructing a second parking structure is good for both revenue generation and automobile traffic flow concerns in the surrounding community; however, we are concerned that the meager 2% increase in overall automobile parking spaces may catch us short in this area, in the future.*

*From the mid-1980s to early 1990s, (the last time today's total number of authorized air carrier flights were operated), 16 aircraft parking positions were available. At present, there are only 10. It is imperative that these parking positions be returned to their original number; during peak periods, air carrier aircraft have encountered waits of up to 30 minutes for gates, especially during evening peak periods. These delays potentially cause the "turnaround", or corresponding departing flight for such inbound aircraft, to depart into the curfew periods.*

*In summary, the Long Beach Airport Association believes that the development of an attractive, functional facility, built to accommodate the authorized numbers of flights and the estimated 3.8 million passengers who will use those flights – a facility that all citizens of the Long Beach community can enjoy and be proud of – should be the recommendation coming forward from the Airport Advisory Commission.*

Commissioner Alton asked if Mr. McAchren could define the benefits that general aviation may have for the enhanced terminal structures, baggage claim, and parking facilities.

Mr. McAchren gave an example; a light aircraft operator, flying to destinations in the west, and using LGB for service. Another important connection with general aviation is Gulfstream. Gulfstream is a high-end general aviation manufacturer, which depends on passenger transport as well as small air cargo shipments on commercial flights, as their main facility is in Savannah, Georgia. There is a relationship between general aviation and commercial facilities, however, he stated that they do not want to see large numbers of commercial flights because there is an effective balance with the ordinance (41 commercial + 25 commuter daily flights), that allows all communities on the airport to not only exist but to flourish.

Commissioner Alton asked Mr. McAchren about the position of the Long Beach Airport Association regarding the proposed second story on the passenger holdroom.

Mr. McAchren stated that they did not comment on the second story because of resident concerns. He stated that there is a concern that the second level will be a boarding area, served by future jet bridges. Mr. McAchren stated that it was his understanding that it is to be used for offices. He stated that office space is desperately needed. Mr. McAchren stated that the question could be asked, why not add more square footage to the first floor. He stated that that would not be a good answer, because the area of the buildings would then extend out onto the aircraft parking area that is needed. Mr. McAchren stated that, the second floor makes sense for office support space.

Commissioner Alton asked if Mr. McAchren appreciates the full build-out enhancement plan, and that the Airport sees the "high-side of the envelope" of space utilization. He stated that that could be expanded to say that the Airport needs more parking, more baggage area, and more concession area.

Mr. McCachren stated that the concession area is a revenue generator for the City. Using other western airports as an example, he stated that the trend seems to be more elaborate concessions. He stated that he did agree with the expanded concession area plan. He also stated that parking is a revenue generator as well, however, his concern is that there is not enough parking spaces for the rental cars.

Vice-Chair Fox asked for the benefit of those in attendance, if Mr. McCachren would give some background information on the Long Beach Airport Association.

Mr. McCachren stated that members include individual pilots, with aircraft either rented or owned, many businesses on the Airport, Fixed Based Operators, some airlines hold memberships, and there is a board of nine people. At last count, they have 500 members which are in the local community. Mr. McCachren stated that they have a large pilot base, those who actually use the Airport on a daily basis. One of their main projects is the "Fly Quietly" program.

Commissioner Luskin stated that the second story, proposed for use for office space by TSA and the airlines that need office space, would also generate revenue from rent charges.

Mr. McCachren stated that he did focus on the revenue that the concessions would generate, and agreed that the rent, as well, is a consideration.

Ms. Rae Gabelich noted that a statement by Mr. McCachren was that a hodgepodge at the Airport today is not comfortable for the air traveler. She asked if JetBlue funded \$1.25 million a year and a half ago to serve as a 10-year facility.

Mr. McCachren stated that he was not familiar with JetBlue negotiations. He stated the hodgepodge that he refers to is a series of connected modular trailer units and tents. He stated that it is not befitting the image that Long Beach would want to convey to its own citizens and to arriving passengers, to do business, to see the Grand Prix, or to go on a Carnival Cruise. Mr. McCachren stated that the Airport needs to build out a facility that is not a "Taj Mahal" or a monument to anyone, but simply convenient and functional for the community and arriving passengers.

Chairman Salk recognized Mr. Jeff Huso, for the next presentation.

Mr. Huso stated that he is representing himself and his family.

Mr. Huso pointed out an article in the Long Beach Business Journal of March 16<sup>th</sup>, an interview with Councilman Carroll representing the Los Altos area. Mr. Huso gave an excerpt from that interview and he stated it as follows:

"There are still inconveniences in traveling in and out of the Long Beach Airport that in my view, and in the lawyers view, we need to make sure that we don't make ourselves vulnerable to a lawsuit from the airlines claiming that we haven't accommodated our own ordinance. That is the real issue now facing the Airport Advisory Commission with respect to permanent facilities. What number of square feet of permanent facilities are necessary to accommodate our ordinance. There are federal standards on this".

Mr. Huso stated that at the February 19<sup>th</sup> Airport Advisory Commission meeting, Principal City Attorney, Mike Mais stated that there is no requirement from the FAA or other agencies to accommodate airlines with new construction. Mr. Huso asked why Councilman Carroll is not up to date on this issue. Mr. Huso also stated that Vice-Chair Alan Fox reported that the Municipal Ordinance could be changed by future City Councils, which is something to consider.

Mr. Huso then gave the following presentation:

*Regarding Expansion of Facilities at Long Beach Airport*

*There is no acceptable noise limit...we should be working to eliminate the use of the Airport by an estimated 3.9 million passengers (up 300% this year) when there are only 450,000 residents, or so, living here. Are we to be a toxic dumping ground for air passengers from surrounding cities?*

*It seems that most flyers would elect to fly out of the current smaller facility with smaller rooms...less walking distance to navigate...less to think about in terms of finding the boarding gate...in other words simple. Simple is smart. The feeling at the terminal presently seems much happier, among users, than at other nearby airports with larger facilities....Why take steps toward making our facilities more like those? Even rental car parking is slated to have priority over resident visitors' parking in closeness to the new facilities under current plans as presented by Mr. Kunze.*

*Won't most residents be flying out of Long Beach and making a connection in another city? Unless our airport becomes as large as LAX, we will be, for the most part, connecting in another city to reach our destination at the time we desire. There are too many destinations and times for any but the largest airport to efficiently accommodate most of the time and destination needs of all direct flying passengers. So why attract non-residents from out of the area to use our flights of limited time and destination availability. These persons will have happened to have a match with their computer generated itineraries and be here jostling elbows with us, accommodated by our enlarged but less easy than previously to use facilities, when only certain businesses stand to benefit, not Long Beach residents as a whole. Mr. Kunze has said that revenues from the operation of the airport facilities accrue to the airport, which he has admitted is already self-funding. It seems no revenues will be increased to the City except tax revenues from some extra passengers utilizing a few local hotels and perhaps from helping to keep Carnival Cruise lines afloat. This should hardly be necessary considering the rarity of accessible facilities available to such an operation in Southern California and the success of that company already in attracting passengers at other terminal sites it operates from. I would also submit that the hotel businesses and restaurants may be using up as much tax revenues from the education of the families of their employees and other City services they require as is collected in taxes from those businesses. Providing relatively low wage jobs, these businesses likely inject less, net, into the local economy than other non-travel-related businesses occupying the same real estate downtown or near the Airport would. Profits are also siphoned off from corporate hotels and Carnival Cruise Lines and distributed to management and shareholders which are not in Long Beach...thus removing the flow of capital from the local economy. The restaurants and businesses leasing space downtown and near the Queen Mary cannot possibly generate increased revenue taxes sufficient to ethically merit consideration either. As a small*

*restaurant owner in Los Angeles, I know that the taxes I generate for that city is only a few hundred dollars a year. The leasehold on the Queen Mary and the few real estate owners who rent space in their buildings to the restaurant owners are likewise peanuts in tax revenues compared with the draw a clean, unpolluted, quiet beach community is becoming in Southern California. Los Altos has the fresh beach air to be considered a beach-related community by developing Southern California standards.*

*Formerly gang-ridden neighborhoods such as Oakwood in Venice, near my store, have transformed in the last three years owing to demand for residential beach property. Prices there have skyrocketed. I looked at a house five years ago there for \$225,000, now selling for \$800,000. If the final result desired is the kind of people who have money to spend and an upscaling of the community, you better let nature take its course, as it is the hottest commodity around and the scarcest resource. Placating a few retail real estate investors downtown by downgrading our skies and serene ocean community attractiveness, anywhere in the city, is shooting ourselves in the foot. It is being behind the curve again. Don't downgrade vast resources which translate into both dollars and a valuable community for the sake of trying to salvage questionable past investments by the City such as the Aquarium. Stop revisiting the past and let the future take its course...we are sitting on billions of dollars worth of beach and beach related property. Airports, schlock, and low-wage industry do not enhance it.*

*Long Beach residents benefit from the ease of use of small facilities and parking areas that require no people mover or people cart to wait for and which can be used easily by young and old with little effort. Who would want to trade the simple, effortless experience of using our small, classy community airport for the stress and displeasure of braving LAX or John Wayne Airport. Again, keep the traffic down and the parking and building small, simple, and easy to use. Long Beach Airport need not be developed to serve all of Southern California, the Airport is classier the way it is. As for a couple mobile trailers on the premises...fine...let visitors be reminded that Long Beach is a community...a self-content, homespun community, even in the midst of a gigantic urban sprawl. Seal Beach is considered highly desirable because Seal Beach has more of that home-town feeling than most Southern California cities; community is nearly priceless in this faceless, hectic, anonymous metropolis, Los Angeles, which surrounds us. It is up to the City and residents of Long Beach to preserve community and small town ease of living here.*

*The best way to reduce the number of flights overhead is to stop bending over backwards to accommodate the persons that want to use our airspace. Quiet enjoyment and relaxation is the way most residents normally enjoy this great natural resource, the sky, without bothering or harming anyone. Rest, enjoyment and relaxation are things that enhance life and longevity for residents'...clean sky, quiet except for the joyful sound of birds, is just an expected commodity like water in an aquarium is for fish. This quiet daily enjoyment is the way the overwhelming number of residents enjoy and rely on our shared sky.*

*At the time I was growing up, this area was much less impacted by noise from aircraft of all types as well as vehicular traffic noise and danger from speeding and crowding on freeways and surface streets. This encroachment on safety and the pleasant things of daily life needs to stop now! It has gone too far already.*

*At some point, does pursuit of business and revenues become imbalanced?...feeding on our*

*well being instead of enhancing it? What about the friendly skies right here: the natural ones, that could be sold off for profit? Keep them enjoyable to the communities, which live under them, which the City of Long Beach is supposed to represent and protect.*

Commissioner Haubert asked where Mr. Huso received his information on the Airport being self-funding, as he understood it that the Airport still owes the General Fund over \$1million for operational expenses from previous years.

Chairman Salk asked Chris Kunze to respond to the question.

Mr. Kunze stated that the Airport does owe debt. He stated that virtually every airport has debt, and they budget that debt services as part of their annual budgeting process, as with any enterprise. That does not mean they are not self-sufficient if they pay the debt. The Airport has booked debt based on Fire Department charges, that are being paid on an annual basis with interest. On that basis, and with that definition, the Airport is self-sufficient. Mr. Kunze stated that that does not mean that there is no debt nor would there be any debt in the future.

Commissioner Haubert asked about Mr. Huso's comment from a Council member saying that "if the City of Long Beach does not expand it's Airport, it faces the threat of litigation from the airlines", and asked where he heard or read that statement.

Mr. Huso stated that the statement is quoted in the Long Beach Business Journal dated March 16, 2004, on page 16.

Commissioner Haubert stated that his concern is when there is perceived to be mis-information given out by members of the community, activists, and others, that they have been corrected by Airport staff. Commissioner Haubert asked if the City Council was updated on what is happening at the Airport and specifically a report by Mike Gatzke. Commissioner Haubert stated that he recalls Mr. Gatzke stating that, the City of Long Beach owns the Airport, the City of Long Beach is the landlord, and the City of Long Beach could expand if it wants. In addition, the City of Long Beach, if it chooses, could not expand at all, and would not be subject to a threat of litigation in the opinion of Mr. Gatzke. Commissioner Haubert asked that a correction of information be sent to Councilman Carroll and to the City Council.

Commissioner Alton stated that Mr. Huso, in his opening comments, stated that the Commission should be working to eliminate the use of the Airport by an estimated 3.9 million passengers. He asked if Mr. Huso could define that meaning in terms of the current Airport infrastructure, and the proposals that are now in front of the Committee, to add to that infrastructure. He asked if his point was that nothing should be added, or to take away what is in place now, or something in-between.

Mr. Huso stated that he wants to see a reduction in traffic.

Chairman Salk asked Mr. Huso to clarify the meaning of his remark that the Commission should be working to eliminate the use of the Airport by an estimated 3.9 million passengers.

Mr. Huso stated that he meant to say was to reduce the use of the Airport, not eliminate it.

Chairman Salk stated that one of the functions of the Committee is to clarify mis-conceptions, and that position be stated clearly in the minutes for the record.

Commissioner Luskin stated that the 3.9 million passengers are not 3.9 million different people, there are 450,000 people in Long Beach who fly are repeat users. Each time they fly, they are counted as a passenger. Commissioner Luskin stated that the Airport is not servicing 3.9 million passengers from surrounding communities, but many of those passengers are Long Beach residents that fly repeatedly.

Mr. Huso stated that there was a 300% increase this year, and he doesn't feel that Long Beach residents suddenly began using the Airport, and assumes that most of the people are from surrounding communities.

Commissioner Luskin stated that the Airport has recently reached the capacity of 41 flights, where in the past there have not been the destinations now available at Long Beach Airport, versus driving to LAX. He stated that part of that increase is because there is now a maximum level of flights from Long Beach.

Chairman Salk asked Mr. Kunze if the figure, 3 million passengers, is an in and out figure. Mr. Kunze stated that that is total enplaning and deplaning passengers.

Mr. Joe Sopo stated that in a previous presentation that JetBlue uses credit cards, checking zip codes, and that they felt that 80%-90% of all passengers were from outside the area, Orange County, or from LA. Mr. Huso referred to the signs posted by JetBlue along the freeway, targeting anyone, from any community to use the Long Beach Airport.

Chairman Salk recognized Mr. Alex Wilcox, from JetBlue Airways. Mr. Wilcox stated that half of the traffic does not originate from Long Beach Airport, but from other destinations. Mr. Wilcox stated that of that 50% originating from the Long Beach Airport, approximately 10%-20% is sold to Long Beach addresses. He stated that it would be reasonable to assume that 10%-20% of people coming from New York, and other points, are visiting Long Beach addresses.

Chairman Salk introduced the next speaker, Demetra Monios.

Ms. Monios made her presentation as follows:

*My name is Demetra Monios. I am a 50-year resident of the City of Long Beach and a property owner. I love our City and want to be proud of it. Because of this, I have taken upon myself to gather approximately 400 signatures in support of the proposed improvements at the airport and surrounding area in order to provide a sufficient parking at the terminal and permanent waiting area to accommodate the passengers currently utilizing the airport facility. Incidentally, many who have signed the petition live in the flight path and have expressed appreciation for the Airport's convenient location.*

*On a personal note, I have a daughter who lives in N.Y. and a son who lives in S.F., both were born and raised in Long Beach, attended local public schools and graduated from Long Beach City College, and Cal State Long Beach. When visiting them, it is convenient to fly out of Long Beach and for them to fly into Long Beach to visit family here. At Christmastime, they both flew into Long Beach Airport on the same day but at different times. Picking each of them up during the hectic holiday season was a snap. Taking a shuttle from LAX takes forever to get to a Long Beach destination. As you know, the shuttle stops at cities between LAX and Long Beach to drop off and pick up passengers along the way and usually is a very long drive. Long Beach is a first rate City and as such deserves a first rate Airport. On March 9<sup>th</sup> of this year, an article appeared in the editorial section of the Long Beach Press Telegram that referred to the Long Beach Airport as "an embarrassment, not befitting this community." Also stating that the Airport terminal is the first thing a visitor sees when landing in Long Beach, and reflects more accurately the City they are visiting. It noted that Long Beach is turning into a world-class City (that's first-world class City) and we deserve an Airport to match. One that doesn't make tourists or potential investors think they've landed in Calcutta by mistake. I want to emphasize that the petition signed by the Long Beach residents states that we are in agreement with the current daily 41 passenger and 25 commercial flights, and not in support of increasing flights now, nor in the future.*

Chairman Salk asked where are the signatures. Ms. Monios stated that she submitted them to the Airport Administration Office.

Commissioner Alton asked if there are passenger surveys of the Airport and the Terminal building, and if so, what are the passengers comments, and are there any metrics defining what percentage of the passengers are experiencing great displeasure with the Airport as it is now.

Mr. Kunze responded saying that the Airport has an on-going survey instrument that is in use. The response rate is not high because staff is not available to approach passengers to ask the questions. The surveys are in display areas throughout the Terminal Building. He stated that the Administration Office receives approximately 40-50 per month. The goal in the Airport's business plan is to have 80% of the customers rating their overall Airport experience as either very good or good. As of last year, the running total showed 78% were at that level. Mr. Kunze stated that the only caveat is that, as a percentage of the total passengers, the sample size is probably less than 1%, so the validity of the survey instrument is a matter of concern.

Commissioner Alton asked how the 78% characterized as being very happy or happy, relates to other airports in the area.

Mr. Kunze stated that the surveys show that many people using Long Beach Airport enjoy using the facility, and some compare it with other experiences, especially LAX. Mr. Kunze stated that that is strictly anecdotal from his observations.

Ms. Julie Leischman asked Ms. Monios from what area she obtained the signatures. Ms. Monios stated that they are from various areas in the City, and the addresses are on the petition.

Chairman Salk asked Ms. Monios what zip code she was from. Ms. Monios stated that she lives in the 90814 zip code.

Mr. Sopo asked what the question was that was asked on the petition. Ms. Monios stated that it read as follows:

*The following residents are in support of the proposed improvements/ construction at the Long Beach Airport and surrounding area in order to provide a sufficient parking terminal and permanent waiting area for the safety of passengers utilizing the airport facility. We also are in agreement with the daily 41 passenger and 25 commuter flights. We are not in support of increasing flights now nor in the future.*

Ms. Linda Sopo asked Ms. Monios if she had ever lived under the flight path, and have her children attended school under the flight path. Ms. Monios stated that she did not live under the flight path, however, her children attended Cal State at Long Beach which is under the flight path. Ms. Sopo asked if her children attended any elementary schools under the flight path. Ms. Monios stated that they did not.

Chairman Salk introduced the next speaker, Mr. Derek Brown. Chairman Salk stated that all the presenters filed presentation papers with the Committee, but that they did not have his. Mr. Brown stated that he did not file a position paper because of a problem with his computer. Chairman Salk asked if he would supply the Committee at a later time with that paper. Mr. Brown said that he would summarize his comments and forward them to the Committee.

Mr. Brown stated that he is presenting as an individual. He stated that, in the interest of disclosure, he had been a member of the Airport Advisory Commission, and now is appearing before them as a private resident. He stated that he is a resident of the 4<sup>th</sup> District, a flight impacted area. He stated that his concern is with the Airport complex as a whole. He stated that what is more at stake than the terminal enhancements are credibility. Mr. Brown stated that he believes that with the majority of the residents in Long Beach, there is a lack of credibility with respect to certain institutions in the City. Much as the redevelopment in the City resembles a patchwork quilt, he stated that when that works well together, it is a thing of beauty, and when it does not fit well together, that it resembles a rag. He stated that he believes the concern from the residents, is that the improvements will not be a work of art, but a rag. Mr. Brown stated that the problem of doing nothing is that not only will you not improve what is in place now, but that he is concerned about outcomes like AASI's vacant building and Boeing's operations moving out of state. He stated that his fear is that the FAA or another outside agency will come in and dictate terms. He stated that he is not in favor of having 41+25 daily flights, although he understands that that is the law. He stated that he is happy that this matter has been referred to the Commission and would have liked to have it referred a year ago. He stated that while he is not desirous of having the full component of the flights, and not desirous of the additional impacts, noise related, pollution related, or traffic related, he is reluctantly supportive of the projects proposed. He stated that he would like to see the parking structures built, and would like a multi-use hotel facility. Mr. Brown stated that he is concerned about potential impacts, but is more concerned about potential greater impacts if the proposed enhancements were not implemented.

Chairman Salk asked Mr. Brown if he feels that the temporary facilities should be replaced with permanent facilities. Mr. Brown stated that he would first like to see the difference in the size of the footprint.

Commissioner Haubert asked Mr. Brown and Ms. Monios, if there were no noise ordinance that limited the number of flights, would you support Airport expansion. Mr. Brown stated that he would not. Ms. Monios acknowledged that she would.

Chairman Salk asked how Commissioner Haubert defined expansion. Commissioner Haubert stated that discussion needs to be presented on the need for two story buildings versus one story, and how much of that would be replacing what is temporarily in place. Also, he understood that the temporary facilities may have been built to last 10-years, however, that number may have come from a meeting where JetBlue had said that they would do a leaseback for three years. At the same time, when the question was asked if the facilities would last longer, the answer was that it could be there for as long as 10 years. He stated that he was unsure if they were constructed for a 10-year use, but intended for a 3-year use.

Mr. Brown responded saying the he believes that that was the intention. He stated that he believes that reasonable people would assume that JetBlue would not spend money on a one-year project. He stated that it would be unrealistic to believe that JetBlue would use the temporary facilities for a 10-year period. Mr. Brown stated that he does not want the air traffic over his children's school, with microscopic particles, or pollutants in his neighborhood. He stated that he is more concerned about the footprint of the apron, and that the apron is never expanded to allow more aircraft to taxi and park.

Ms. Rae Gabelich stated that it is clear that the proprietor of the Airport is in total control of what takes place on the ground. She stated that the City cannot be forced to build something that they do not want to build, and that the FAA is in charge everything off the ground.

Mr. Brown stated an exception is the PacifiCenter project, because the project is adjacent to Airport property. He stated that there is nothing stopping the developer of PacifiCenter from leasing that land back to the Airport.

Chairman Salk introduced the next speaker, Ms. Jane Nadeau of the Bixby Neighborhood Improvement Association.

Ms. Nadeau stated that the Bixby Neighborhood Improvement Association represents approximately 2,000 homes, covering Bixby Terrace, Bixby Highlands, Bixby Knolls, and new Bixby. Ms. Nadeau gave the following presentation:

*We know the airport isn't going away and we are glad it brings business to the City. How much and who benefits are unanswered questions.*

*Our concerns are the noise, late night flights, increase in flights, and potential for more if the plan isn't better controlled. A master plan and/or better communication with the community is paramount to the success of the Airport. We haven't seen enough of that, which is why this*

*neighborhood group is presenting our paper.*

*We expect our elected officials to take care of the concerns of the residents while they are encouraging business growth. The results of the last couple of years indicate business has been the primary focus and not the residents. This is unacceptable and needs to change before new buildings are built at the Airport. Why are we looking at accommodating what the rental car agencies, airlines, and other airport-related businesses instead of the neighborhoods impacted by the Airport?*

*The number of late night flights taking off after 10 PM continue, as do the flights after 11 PM. The low fine is a joke and does nothing to deter the airlines. Airport staff have been working with the airlines to have them land at LAX if they are after the curfew time but that hasn't stopped the takeoffs. Flights leave each day promptly at 7:00 AM yet cannot keep the schedule at night after 10:00 PM. Why is that?*

*The neighborhoods impacted by the takeoff and arrival of the airport are having their quality of life chipped away with the noise pollution, health concerns such as stress, asthma, and other respiratory illnesses. The Press Telegram did an extensive series on the Port of Long Beach, should one be done for the airport?*

*The airlines and pilots are capable of noise-reducing takeoff procedures as demonstrated by other regional airports. The neighborhoods demand that same consideration in daily activity at LGB.*

*Administration of the Airport's sound monitoring system and the data it collects is a concern. The system, the collection sites, and the data can be skewed to represent arguments for or against the current noise levels. The new flight pattern is also a concern. More flights are turning sooner and flying over homes not close to the noise monitors. Won't that impact the noise bucket? Why are they consistently doing that? Can the monitors be moved or expanded?*

*If the expansion is allowed to happen, don't we open ourselves up for more pressure from the FAA to expand the flights? A master plan and more communication with the community should be the first priority of the Airport.*

*The future growth of Long Beach should be based on promoting the quality of living throughout the City and not be based on the economic development of chosen sites. This City cannot afford to turn it's back to the eventual decay of good neighborhoods if economics dictate the path of future decisions. Make Long Beach "Resident Friendly" first, then "Visitor Friendly" will follow.*

**THE BIXBY NEIGHBORHOOD IMPROVEMENT ASSOCIATION BELIEVES ANY UPGRADE OF THE TERMINAL FACILITY AT THIS TIME WILL ULTIMATELY BE USED AS JUSTIFICATION FOR AN INCREASE IN FUTURE ACTIVITY.**

Vice-Chair Fox asked if the association that Ms. Nadeau represents is for maintaining the status quo. Ms. Nadeau concurred with that statement. She stated that the Bixby Neighborhood Improvement Association does not want anything done until there is better communication, or a master plan is provided.

Chairman Salk asked Ms. Nadeau her meaning of a master plan. Ms. Nadeau stated that it is a term that she has heard while attending the meetings over the last year, and talking to pilots that they report other airports have a master plan so that information is provided on future projects. She stated that she understands that Long Beach Airport does not have a master plan, and that Mr. Kunze has stated several times why that has not been done.

Chairman Salk asked Mr. Kunze to address the master plan issue.

Mr. Kunze stated that master plan can mean many different things. An airport master plan is typically an effort and resulting document or documents that establishes an Airport's use, role by way of long-term policy direction, and creates a facilities plan to enable fulfillment of that policy direction. The Long Beach Airport already has policy direction provided by the Airport's Noise Compatibility Ordinance and the City's 2010 Strategic Plan. The Airport's facilities plan was given direction by the Airport Land Use Plan adopted by the City Council in November 1979 and is implemented by the Airport Layout Plan, the City's zoning ordinances for Airport property, including the PD-12 Terminal Area Zone approved by City Council in September 1997, and the Terminal Facilities Plan which is currently under discussion.

Commissioner Alton asked Ms. Nadeau if she is suggesting that the Commission deals with the operational issues and attempt to resolve them to the satisfaction of the community, prior to expanding the Airport.

Ms. Nadeau stated that that is exactly the point she was trying to make. She stated that the problem is not fixed with the 41 flights, as she calls consistently after 10PM for noise complaints. She stated that if that cannot be controlled presently, why would other buildings be built to accommodate other customers and residents will suffer even more than they are now.

Commissioner Soccio stated that she believes that everyone is concerned about coming up with a design that possibly 60% of people agree with, but also concerned with what the future would bring with any type of design. She stated that residents may be comfortable with staff at this point, however, what staff will be in place in 10 years, and what might their intentions be. She stated that she asked Mike Mais, Assistant City Attorney that question, and she remembers him responding that the City cannot put deed restrictions in place which, for example, would state that the second floor is to be used for offices and never for passengers, and that the aircraft parking ramps will be a certain size. She stated that looking into the future, there will be different people and different ideas and concepts.

Ms. Sopo stated that it was her understanding that things could be changed through the City Council choosing to vote for the change. She said that even though the second story is designated for certain things, she understands that a new City Council make-up could vote to change that.

Commissioner Soccio stated that Vice-Chair Fox asked that question previously, whether or not something actually put in the City Charter would forbid taking an action. Vice-Chair Fox concurred with that statement, but stated that he did not get a clear complete answer. However, he stated that they have tried to examine the whole issue of the strength of the noise ordinance, and did get some answers.

Chairman Salk stated that the presentation from Mr. Mike Gatzke stated that one City Council could not bind or restrict another City Council.

Vice-Chair Fox concurred with that statement, however, he stated that other comments that came from previous meetings indicated that any City Council in the future can change the status quo, however, the EIR requirements of any change would be such that it would be difficult, even impracticable, and a remote possibility of doing so.

Ms. Sopo asked why there was discussion about narrowing the EIR to \$35,000. Commissioner Soccio stated that the \$35,000 was the health risk assessment cost, not the EIR. Ms. Sopo stated that she understands that that is not taking into consideration how the residents are being impacted from the flights overhead.

Commissioner Soccio stated that at the regular session of the Airport Advisory Commission, a representative from Boeing stated that they have conducted a health risk assessment, and it is included in the 4,000 page DEIR report, which is available online.

Chairman Salk stated that this Committee was asked to recommend what improvements are necessary, if any, at the Airport. If improvements are necessary, the Committee should recommend the scope of the EIR related to those improvements.

Mr. Huso stated that he recalls from a meeting on February 19<sup>th</sup>, that Mr. Mike Mais stated that the ordinance cannot be set in stone for the next City Council, and as such, a master plan cannot affect making an ordinance permanent.

Ms. Gabelich asked that if it was stated that the 1979 adopted land use plan, 25 years later, is considered to be the master plan.

Mr. Kunze stated that that was incorrect. He stated that, as with any plan, there has been evolution based on specific land uses approved by the City Council as items have come up. He stated that in addition, the Airport has all the additional components of a master plan. Mr. Kunze stated that the most recent airport land use document that was developed for the Commission and for the City Council approximately a year ago, showed all of the current and proposed land uses on the Airport and around the Airport. He said that the key component of that was the Airport Layout Plan, which shows all of the land uses on the Airport. He stated that one significant thing that is not shown in detail is the terminal area, which is what is being considered now. Mr. Kunze stated that he believes that all the master plan components exist, the key one being the policy direction for the facility. He stated that he does not know what would be in a master plan that is not currently in the Airport Layout Plan, City 2010 Strategic Plan, Airport Noise Compatibility Ordinance, and related zoning and other implementing ordinances.

Ms. Gabelich stated that what is missing is a communication between the residents of the City and a visual accounting as to what the plan is. She asked how any master plan evolution related to CEQA requirements.

Mr. Kunze gave an example, stating that prior to the Kilroy Airport Business Park, the area was shown on the Airport Land Use Plan as aviation related uses. He stated that there was

an opportunity for development of that property that the City Council determined to be a higher and better use. Mr. Kunze stated that there was a CEQA mandated environmental review process at the time, and that the commercial office use was approved after reviewing the results of the environmental review process. He stated that with every parcel on the Airport, before it is developed, it has to go through an environmental review process in compliance with CEQA.

Mr. Jerry Mineghino stated that he resides under the flight path of Runway 30. He asked if there is now or ever has been a decline in users of the airport, that relates to a lack of space, food services, etc. He stated that he gets the opinion from sitting in the audience that the Airport is in a decline, and he does not believe that that is the case.

Mr. Kunze asked if he was referring to commercial airline passengers, or overall use of the Airport. Mr. Mineghino stated that he was referring to commercial airline use of the terminal area. Mr. Kunze stated that there was a significant decline in the late 80's, early 90's, but since 2002, there has been a significant increase each year, although last month, in terms of enplanements over prior years, there was a more limited 15% increase because the 41 flight authorized limit had been reached.

Mr. Mineghino stated that the terminal area and commercial aviation portion has recently grown and shown growth progressively. He stated that the Commissioners, as they move forward and meet the responsibilities to the citizens around the Airport, should not support anything other than the minimum it would take to handle the present business.

Chairman Salk asked to hold over a presentation by Curt Castagna, listed as the last speaker on the agenda, and that he give his presentation at the April 15<sup>th</sup> meeting.

Chairman Salk introduced Connie Gurich of Hertz, for the next presentation.

Ms. Gurich stated that Hertz is in support of the terminal improvements and parking facilities. Ms. Gurich gave a presentation as follows:

The growth of JetBlue and other airlines operating out of Long Beach Airport has reached the maximum level of activity permitted under the Ordinance's 41-flight restriction. This growth in activity up to the permitted flight levels has strained exiting facilities never really meant to accommodate 41 flights a day. Larger airplanes bring in more passengers within the given number of flights permitted under the Ordinance.

As a result, the rental car facilities are being strained to accommodate current demand for rental car services at Long Beach Airport. Specifically:

- 1) They need more ready/return parking to accommodate vehicle inventory by the Terminal. Customers like the convenience of walking across from the Terminal to pick up their cars, and the convenience of returning them close to the Terminal. The garage expansion would provide much needed facilities for the current level of activity. It would eliminate people and vehicle congestion outside the terminal and in front of the rental car facilities.
- 2) The number of customers Hertz handles from these inadequate facility has grown tremendously over the last few years:

- In 2001 handled 2,664 rental car transactions.
- In 2002 transactions increased by 52% to 40,542.
- In 2003 handled 61,287 transactions or an increase of 53% over prior year growth.

3) Over the same period, our fleet size grew as follows:

- In 2001 total number of cars in Hertz fleet was 368
- In 2002 fleet size grew to 527 or a 55% increase over 2001.
- In 2003, fleet grew to 741 vehicles or another 43% increase over the prior year growth.

4) Hertz needs the ability to wash and fuel cars next to the ready/return parking so that they can maintain the vehicle fleet within a tight envelope of space. Constructing wash/fuel facilities next to the ready/return parking allows them to quickly clean dirty cars and return them to the rental line. This avoids customers having to wait for clear cars. At the same time, this reduces Airport congestion by not having vehicles driving off the lot to another Airport location for servicing. Eliminating congestion also reduces vehicle emissions and promotes a better environment at the Airport.

In addition to the congestion over public roads and the vehicle emissions caused by shuttling cars from site to site, shuttling operations are very expensive for the rental cars. Annual shuttling costs to move vehicles from Hertz's service facility to the ready/return lot has increased as follows:

- In 2001 Hertz spent approximately \$159,700 in shuttling manpower cost.
- In 2002, costs had increased to \$237,000 per annum.
- In 2003 incurred \$307,100 to shuttle cars between sites.

5) Hertz also needs a place to provide maintenance for our vehicles on-Airport. The rental cars currently maintain their vehicles in the same location as their wash and fuel operations. All of us operate our wash/fuel and maintenance facilities through various arrangements either with the local FBO, the gas station or with the Airport for use of small parcels of land. Consolidating the wash/fuel functions by the ready/return lot will free up space to provide better vehicle maintenance. Car rental agencies may even be able to consolidate the maintenance function into one area of the Airport once there are wash/fuel facilities by the terminal.

The proposed improvements to the Terminal and parking facilities at Long Beach Airport will improve the standard of service offered to our customers. It will provide the same level of convenience and service as is offered at other airports of similar size in the area. Ms. Gurich noted that their customers deserve to have modern, adequate and functional facilities from which to fly in or out of Long Beach.

Commissioner Alton pointed out a discrepancy in the figures given in the transactions for 2002, questioning the 52% increase. Ms. Gurich stated that that was a typographical error and she will submit corrected figures.

Commissioner Alton asked Ms. Gurich if Hertz has looked at any alternatives.

Ms. Gurich stated that the Long Beach Airport is a type of airport that provides maximum service to customers; customers like to come because of the convenience. A busing operation would not be favorable. She stated that she would not suggest that in a small operational space that a customer be subjected to busing off site. She gave LaGuardia as an example, which is confusing and difficult to use.

Mr. Huso asked about the entire first floor of the parking facilities being reserved for the car rental agencies. He stated that that is the most convenient place for him to park, and asked why is it more important for Hertz customers to have the prime spots across from the terminal, and have family members park upstairs, or behind at a more distant lot.

Ms. Gurich stated that the reason is highest and best use. She stated that Hertz is very productive with their spaces, turning a space over multiple times, versus a customer using that same space only once, cannot accomplish that many transactions.

Chairman Salk introduced the next speaker, Ms. Laurie Talerico.

Ms. Talerico, Director of Properties for the Cendant Group, representing Avis and Budget Rent-A-Car, gave the following presentation:

Ms. Talerico stated that the previous Hertz presentation described the “boom” to their business and transactions that has presented the car rentals with a dilemma. She stated that the car rental companies appreciate the increase in business, however, if there were any more business, they would lose money because of the high intensity of labor costs to run the operation at Long Beach. Ms. Talerico stated that her company is neutral on the question of increasing flights and the ordinance. She stated that they are not promoting or interested in additional flights, and are not advocating any expansion, but would like two considerations; 1) provide adequate service to customers in comparison to what is provided at other airports, and 2) the opportunity to make a profit. She stated that the ability to make a profit is being cut into at a large rate because of the intensive labor costs resulting from the constant moving of cars on and off the airport.

Ms. Talerico stated that at a given peak time, Avis can have 40 reservations from any given flight in an hour. She stated that they have 40 parking stalls, requiring constant relocation of vehicles from the off-airport locations. She stated that they do support the component of the plan specific to the garage construction. Ms. Talerico stated that it would be ideal to be located, as they typically are, in close-in garage facilities with an adequate number of stalls. She stated that the plan submitted a month ago, had 220-230 stalls for rental car companies. She stated that they would require a greater ratio to go to rental car facilities. In addition, the car wash facilities are a problem, with little to no facilities available. She stated that her agency pays 10% of the gross revenues off the top to the Airport for the right to operate their concession, which is a standard fee in addition to rent. However, she stated that in part and parcel, in consideration for that 10% payment, they are typically provided with some basic facilities. The components of those basics are the ready return parking, and the car wash/fuel facilities (QTA). She stated that in addition to that, they sometimes have storage, counters, etc., which are also part of the basics. She stated that with the relocation from the terminal to make space for airline counters, and given the trailers that they currently occupy, they are in a second-rate situation and cramped. She stated that they don’t believe that they are

getting the minimum basic facilities for their 10% gross revenue fee.

Ms. Talerico stated that as their operation becomes less and less efficient, their profit margin diminishes. Ms. Talerico distributed a comparison of other airports to Long Beach based upon the amount of revenue showing the following:

AIRPORT	2003 RAC REVENUE	READY PARKING STALLS	WASH/GAS FACILITY (QTA)	FACILITY FEE FUNDING?
LONG BEACH	\$35M	200+	NONE	AVAILABLE
TUSCON, AZ	\$42M	724	MULTIPLE PER RAC	\$3.50/TRAN
BOISE, ID	\$28M	320	INDIVIDUAL SERVICE SITES	NONE
PALM SPRINGS	\$33M	196	1+ACRE SITES/RAC	NON NEEDED
SPOKANE	\$22M	350	1+ACRE SITES/RAC	\$1.50/DAY FUNDS NEW COUNTERS
MONTEREY	\$10M	200+ 110 STORAGE	2-BAY SHARED QTA	\$10/TRANS
SANTA BARBARA	\$10M	126 PLUS 32K SQ.FT. OVERFLOW	INDIVIDUAL QTAS/RAC	NONE NEEDED

Ms. Talerico stated that Monterey and Santa Barbara have a much less revenue base, however, the car rental facility is greater at those airports than at Long Beach. She reviewed the ready parking stalls column as follows;

- Tucson, AZ the number of spaces are nearly tripled for approximately they same amount of revenue.
- Boise, ID 120 more spaces than in Long Beach with less amount of revenue.
- Palm Springs, CA approximately the same figures as far as stalls and revenue, however, the property adjacent to the facilities, each company has an acre+ for a QTA site to wash and fuel. The facility was built in the last few years, and was funded by a passenger transaction fee. The Airport financed the facility, and the financing is being repaid by the passenger charge of \$3.50 per transaction. There is no comparable facility at Long Beach. Currently there is no QTA operating facility, there is wash facility that is undergoing renovation, however, it is one stand-alone car wash shared by four companies.
- Spokane, WA has an acre+ for a QTA site to wash and fuel.

Ms. Talerico stated that they need additional facilities at the Long Beach Airport to,

- adequately service the current customers
- provide the level of service so as not to lose business to taxis

Ms. Talerico stated that if the demand increased beyond the level of the ability of the Airport to handle it, or if there was further flight restrictions, they would not lose business, because business would be picked up at LAX or John Wayne because of the demand to travel to Southern California.

Commissioner Luskin asked Ms. Talerico if the rental companies could share the car wash and fuel facilities. Ms. Talerico stated that that is the present procedure with the small stand-alone facility. Commissioner Luskin clarified that they may need a bigger facility, but it could be shared. Ms. Talerico concurred with his statement.

Commissioner Luskin asked if they have looked into whether lifts could be installed to stack cars. Ms. Talerico stated that she does not have information on that concept, however she is aware of companies using that type of lift in Manhattan. She stated that she would take that question to their Operations Manager and provide a response.

Commissioner Veady stated that they currently have 40 stalls, and asked how many additional spaces they would want. Ms. Talerico stated that at least double, which is only for parking spaces. Presently there are 217, and she stated that at least 400 are needed. In addition, the car wash/fueling facility would need additional space. She was unsure of the square footage needed, and whether it could be built inside a parking structure versus an extra structure on other property separate from the footprint of the garage. She stated that in Monterey, there is a 2-bay shared car wash, with a revenue base of only \$10m.

Commissioner Alton stated that in his opinion, the presentation given by Ms. Talerico is exactly the style of discourse that the Committee is seeking, in that it is informed, reasoned, and even-handed. He stated that he appreciated her presentation.

Commissioner Clever stated that at most airports the car rental agencies are off airport, and asked that as long as the car rental companies have more space, could they function. Ms. Talerico stated that even though business is increasing, business is not adequate to pay for common busing and construction of common facilities. She stated that the facilities Commissioner Clever may be familiar with, are funded by bonds, and the revenue stream for the repayment of the debt is a guaranteed revenue stream from the rental car customers directly, not the community at large. She stated that for a small airport there can be a fee imposed, mandated by the California legislature, which is \$10 per transaction. Airports outside of California generally use a per day fee, typically \$3-\$4. She stated that that revenue source pays for the debt on the facility and common busing, as you would no longer have or want buses from Avis, Hertz, etc., going from the terminal to a single point. She stated that part and parcel to the consolidated facility is the consolidated transportation. She gave an example of Oakland, where they are paying \$4 ½ million per year just for busing operation, with a \$10 per transaction fee which is paying for that operation, plus it is repaying the debt on the temporary remote facility recently built. Ms. Talerico stated that Oakland competes heavily with San Francisco, wants to retain the convenience level of service, and because of that the consolidated facility is only temporary, awaiting construction of a six story parking garage, and the Airport wants the return of the rental cars for the convenience of the customers. She stated that the community groups recognize that the garage project should go forward because it was only meeting the current demand, and will be completed in 2007. She stated that the rental companies will return and occupy the first two floors of that garage.

and the fee will continue to pay a portion of the debt service on the garage, with the busing eliminated. She stated that none of the size airports that are listed in her presentation could generate enough transactions to cover the type of debt service required for the facility and the busing.

Commissioner Soccio stated that at Enterprise's presentation of February 26<sup>th</sup>, they stated that they needed 600 ft of office space and a 16'x38' counter, 190 parking spots for ready and storage. Ms. Talerico stated that those figures are ambitious. She stated that Enterprise, to her knowledge, has only 5% of the market, and providing that ratio to 100% of the market, that is a large amount of space.

Ms. Sopo asked that in the numbers provided, does that include growth of the 25 commuter flights. Ms. Talerico stated that the numbers provided by Connie Gurich from Hertz are for current business. Ms. Sopo asked if there were any tracking figures of where customers are going, how many are staying in Long Beach, or going to other places. Ms. Talerico stated that if they are doing a drop off, that could be tracked. Ms. Sopo stated that her frustration is that there is talk about having people shop in Long Beach and use Long Beach facilities, and she would like to know if people are really coming in to visit Long Beach, and the impact of car rental customers.

Ms. Talerico stated that it is difficult to track where customers go after they rent the car. Ms. Talerico introduced Mr. Robert Bainer, Operations Manager for Avis Rent A Car. Mr. Bainer stated that they do have addresses of where customers come from. He stated that most of the cars that are picked up at the Airport, are returned to the Airport. He stated that most of the customers are a business mix, and do not travel many miles, which indicates that they are moving within Long Beach and possibly neighboring cities to do business. Ms. Talerico stated that they track that based on fuel replacement, mileage etc.

Mr. Bill Denizen from Enterprise asked to address Commissioner Soccio question on the amount of space needed. He addressed the referenced 5% market share, and stated that the figures given in their presentation were based on a 16% market share, which is what they currently have.

Mr. Alex Wilcox from JetBlue Airways asked to respond to questions raised by the audience, one being the modular buildings expected life cycle. Mr. Wilcox stated that when building a structure to accommodate the public, codes and standards must be met and the end result of building a structure that will accommodate customers may be a 10-year life cycle building. He noted that the buildings are modular, transportable, mobile buildings, and as they buy aircraft to last for 30 years, they would not fly them for 30 years, they may sell after 10 years, as when you buy a 10 year building, it might be sold after 2 years. Mr. Wilcox stated the there should be no inference based on the predicted or calculated or certified life of a trailer as to the duration of their use at Long Beach. Mr. Wilcox addressed a comment by Commissioner Haubert regarding whether or not there was any risk in building or not building. He stated that there is no FAA statute that says the City must build a 50,000 square foot facility. However, Mr. Wilcox stated that the risk the Committee should be mindful of is that if the facility is not built, and space not provided that is adequate to support the unique, local flight ordinance, then you could run the risk of inviting a challenge to the attempt to locally constrain interstate commerce. He stated that any party can bring that type of lawsuit, and if there was an attempt to try to constrain the ability to use the 41 + 25 daily slots through

providing inadequate facilities, that could be challenged. He stated that no one can guess the outcome of a lawsuit, and in his opinion, is not a place that the community wants to visit or that JetBlue Airways wants to visit. Mr. Wilcox stated that JetBlue looks forward to their presentation in the process and would like to look for a solution that works for everyone in the community and is sustainable for all.

Commissioner Haubert stated that he believes he knows where Councilman Carroll got the idea that potentially there could be a lawsuit if no facilities are constructed. He stated that he would take the legal advice of Mr. Gatzke over JetBlue's legal advice. He stated that increasing the size of the terminal, according to some, is actually the act that would invite a lawsuit, because of the potential to accommodate more growth. He stated that if Mr. Wilcox were here when Mr. Gatzke spoke, he would have heard Mr. Gatzke report that if the City Council wanted to change the ordinance, they would have to go through an EIR process. Commissioner Haubert stated that if any government agency wanted to change the ordinance, they would have to go through an EIR. However, if a private entity, such as an airline wanted to qualify a ballot measure, that ordinance could be gone as quickly as an election could be held, without an EIR. He stated that for that reason, the Committee should be guarded regarding the expansion of the capacity of the Airport, because if the capacity is expanded, it could result in a challenge to the ordinance.

Mr. Wilcox stated that he does not represent the legal arm of JetBlue, and is not in the position to say what JetBlue would or would not do based on the outcome of this process, and stated that he believes there is a win-win solution, and that they look forward to working with the community towards that end.

The meeting was adjourned at 8:40 p.m.

Respectfully submitted,  
Dottie Jones  
Airport Secretary  
Long Beach Airport

**Approved**